



Committee On Finance

Max Baucus, Chairman

NEWS RELEASE

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For Immediate Release
January 25, 2007

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BAUCUS OUTLINES EDUCATION TAX OBJECTIVES

*Tuition tax deduction, teacher's deduction among provisions
targeted for Finance Committee action this year*

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today announced that he intends to extend and enhance the college tuition deduction and move a number of other education incentives through the Committee this year, in keeping with the panel's jurisdiction over tax issues. Baucus helped to author the tuition deduction in 2001, and his Education Competitiveness Act of 2006 proposed improving the deduction as part of a total overhaul of the U.S. education system. In a December 2006 hearing, Baucus also committed to further Finance Committee efforts to make certain that tax incentives truly provide the access to education that Congress intends.

“The Finance Committee finished 2006 with a focus on education tax incentives, and that commitment will continue under my chairmanship this year,” said Baucus. **“Extending and enhancing the college tuition deduction, giving classroom teachers a break on supplies, and helping families save for school will be part of that. But we need to go much, much further. I want a serious effort to help Americans afford a good education. Working together, the Finance Committee will craft a strong and fiscally responsible education incentives package and bring it to the full Senate.”**

A Baucus amendment introduced on the Senate floor today reiterated his decision to move education tax incentives through the Finance Committee this year. Baucus refused to support an amendment to make a limited number of changes to education tax incentives on the floor, unpaid for and outside the committee process.

The Senator said today that he will introduce a new Education Competitiveness Act this year, and some tax initiatives to be considered by the Finance Committee will likely mirror elements of his 2006 bill. Provisions in that legislation included a federal deduction for state and local property taxes that go to support local schools, tax relief for Americans repaying student loans. For more information, visit <http://finance.senate.gov/press/Bpress/2005press/prb091406d.pdf>.

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